

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 2267 - SB 2642

February 24, 2018

SUMMARY OF BILL: Increases, from \$500 to \$1,000, the upper limit of the civil penalty that can be charged per day of continued activity or operation against any person who performs, offers to perform, or holds such person out as performing any activity for which a certificate of need (CON) is required, without first obtaining a valid CON.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- Currently, Tenn. Code Ann. § 68-11-1617 sets the upper limit of this civil penalty at \$500.
- Based on information provided by the Health Services and Development Agency (HSDA), there have not been any civil penalties assessed under this section of code. Increasing the civil penalty will not have an impact on HSDA; therefore, any fiscal impact is estimated to be not significant.
- Based on information from the Department of Health (DOH), the proposed legislation will not have a significant impact on the procedures or processes of the DOH or health related boards; therefore, any fiscal impact is estimated to be not significant.
- Pursuant to Tenn. Code Ann. § 4-29-121, all health related boards are required to be self-supporting over a two-year period. The Boards had an annual surplus of \$4,523,956 in FY15-16, an annual surplus of \$3,551,254 in FY16-17, and a cumulative reserve balance of \$32,645,083 on June 30, 2017.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee".

Krista M. Lee, Executive Director

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